

SENATE BILL 1254

By Yager

AN ACT to amend Tennessee Code Annotated, Title 4,
Chapter 5, Part 2 and Title 9, Chapter 4, Part 53,
relative to state government.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 9, Chapter 4, Part 53, is amended by
adding the following language as a new appropriately designated section:

9-4-53__.

(a)

(1) Any law of general application enacted whose accompanying fiscal
note, required pursuant to § 3-2-107, indicates that the fiscal impact of the law on
local governments exceeds one hundred thousand dollars (\$100,000); or any
laws of general application enacted during a single calendar year whose
cumulative fiscal notes, required pursuant to § 3-2-107, indicate that the
combined fiscal impacts of the laws on local governments exceed one million
dollars (\$1,000,000) must be fully funded by either:

(A) A dedicated state appropriation;

(B) A dedicated funding source provided for within the legislation;

or

(C) A dedication of the increase in state shared revenues from the
previous year adjusted for inflation until such funds have been expended.

(2) Any legislation enacted in violation of subdivision (a)(1) shall cease to
be mandatory in its effect.

(3) No agency, department or other entity of state government may deny funds to, fine or otherwise penalize a local government solely on the basis that the local government opted not to comply with legislation in violation of subdivision (a)(1).

(b) Subsection (a) shall not apply to the following categories of laws:

(1) Those that are required to comply with federal laws or rules or to meet eligibility standards for federal entitlements;

(2) Those that repeal, revise or lessen an existing requirement or mandate or which reapportion the costs of activities between local governments;
or,

(3) Those that implement mandatory duties of the Tennessee Constitution.

SECTION 2. Tennessee Code Annotated, Title 4, Chapter 5, Part 2, is amended by adding the following language as a new appropriately designated section:

4-5-____. No agency shall adopt any rule increasing any fee or creating a new fee in any year where general state revenues appropriated to the agency have decreased from the previous year.

SECTION 3. This act shall take effect January 1, 2012, the public welfare requiring it.